Proposed Amendments to Civil Service Rules **Temporary Layoffs**

[Revision **A**, April 18, 2007]

Additions are double-underlined. Deletions are struck through

2-4 Layoffs

2-4.1 Reasons for Layoff

An employee may be laid off for reasons of administrative efficiency, including, for example, lack of work, lack of adequate funding, change in departmental mission, or reorganization of the work force.

2-4.2 Notification

An appointing authority shall give prior written notice to an employee who is laid off.

2-4.3 Procedure for Making Indefinite Layoffs

An appointing authority shall may place an employee on indefinite layoff employees in accordance with the civil service rules and regulations governing employment preference.

2-4.4 Temporary Layoffs

(a) Authorized. An appointing authority may place an employee on one or more temporary layoffs as provided in this rule and any applicable regulations.

(b) Limitations.

- (1) A temporary layoff shall be for one or more full workdays specifically identified in prior written notice given to the employee.
- (2) An employee cannot be placed on temporary layoff status for more than 20 cumulative workdays in a fiscal year.

(c) Relation to other rules and regulations.

(1) Employment preference and recall rules not applicable. The civil service rules and regulations governing employment preference and recall do not apply to temporary layoffs or return to work from temporary layoff.

- (2) Insurance, leave accruals, and service credits. Notwithstanding any other civil service rule or regulation or the fact that an employee's work hours or pay is reduced by a temporary layoff, all temporary layoff time is considered creditable time for all purposes, including, but not limited to, the following:
 - (A) Satisfaction of the standard 80-hour biweekly work period for full-time employees [rule 5-2.1].
 - (B) Compliance with compensation schedules [rule 5-3].
 - (C) Computation of service hours for the following:
 - (1) Longevity [rule 5-8].
 - (2) Annual and personal leave [rule 5-10.2(a)(1)].
 - (3) School participation leave [rule 5-10.2(a)(2)].
 - (4) Sick leave [rule 5-10.2(a)(3)].
 - (5) Holiday pay for less than full-time appointments [rule 5-10.1].
 - (6) Completion of a probationary period [rule 3-6.2].
 - (**D**) Eligibility for group insurance plans and benefit levels [rules 5-2.2 and 5-11].
 - (E) Computation of total continuous service hours for all purposes, including, but not limited to, employment preference, layoff, recall, step increases, and, if authorized by statute, retirement.
- (3) Not a break in service. An employee does not incur a break in service as a result of a temporary layoff.
- (4) No substitution. An employee cannot substitute annual leave, personal leave, school and community participation leave, banked leave, compensatory leave, sick leave, deferred hours, or any other paid status for a temporary layoff.
- (5) Leave balances. An employee's accrued leave balances are retained during a temporary layoff.
- (d) Return from temporary layoff. An employee, including a probationary employee, shall return to work on the employee's next regularly scheduled work period following the end of the temporary layoff. The employee returns to work in the same position from which the employee was temporarily laid off.

2-5 Employment Preference

- 2-5.1 Application and Protection [No Change]
- 2-5.2 Determination [No Change]
- 2-5.3 Qualification [No Change]
- 2-5.4 Employee Rights to Apply Preference [No Change]
- 2-5.5 Application of Employment Preference between Employees Covered by a Collective Bargaining Agreement and Employees not Covered by a Collective Bargaining Agreement [No Change]
- 2-5.6 Effective Date [No Change]
- 2-5.7 No Application to Temporary Layoffs

This rule does not apply to temporary layoffs as authorized in rule 2-4.4.

9-1 Definitions

Unless the context clearly provides otherwise, the following terms in the civil service rules and regulations are defined as follows:

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Creditable Time

Creditable time means each of the following:

- (a) Time in a career appointment. The following times are counted as creditable time:
 - (1) Time in an indefinite appointment that is interrupted by a layoff.
 - (2) Time in a career appointment that is interrupted by a leave of absence.
 - (3) Time in a career appointment that ends as a result of a voluntary, nondisciplinary, nonretirement separation that is immediately followed by appointment to another

classified position without a break in service (e.g., resign on Friday and start to work on the next Monday).

- (b) Time in a position in the unclassified service if the appointing authority granted a leave of absence for the unclassified appointment. The time is creditable to the classification level from which the leave was granted.
- (c) Time on a military leave of absence, including temporary and emergency military leave, if authorized by civil service rule or regulation or required by federal law.
- (d) Time for emergencies, transients, and expiration of limited appointments prior to January 1977, providing they are not followed by a separation.
- (e) Time on a paid leave of absence.
- (f) Time on a temporary layoff as authorized in rule 2-4.4

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Noncreditable Time

Noncreditable time means each of the following:

- (a) Time preceding a separation, dismissal, retirement, or other break in service from state employment, unless expressly defined as creditable time.
- **(b)** Time on an unpaid leave of absence, including, for example, medical leave or educational leave.
- (c) Time on an unpaid suspension.
- (d) Overtime in excess of 80 hours in a biweekly pay period.
- (e) Time in a noncareer appointment.
- (f) Military service time that is creditable for retirement only.
- (g) Lost time.
- (h) Time in layoff status, but excluding time on a temporary layoff as authorized in rule 2-4.4.

5-16 Temporary Furloughs

5-16.1 Unpaid Furlough Hours [2004]

- (a) Unpaid furlough hour defined. An unpaid furlough hour is an otherwise regularly scheduled work hour during which the employee, at the direction of the appointing authority, does not work and is not paid.
- (b) Relation to other rules and regulations.
 - (1) Insurance, leave accruals, and service credits. Notwithstanding any other civil service rule or regulation or the fact that an employee's work hours or pay is reduced by the requirement to take unpaid furlough hours, all unpaid furlough time is considered creditable time for all purposes, including, but not limited to, the following:
 - (A) Satisfaction of the standard 80 hour biweekly work period for full-time employees [rule 5 2.1].
 - (B) Compliance with compensation schedules [rule 5-3].
 - (C) Eligibility for overtime compensation [rule 5 4.2].
 - (**D**) Computation of service hours for the following:
 - (1) Longevity [rule 5 8].
 - (2) Annual and personal leave [rule 5 10.2(a)(1)].
 - (3) School participation leave [rule 5 10.2(a)(2)].
 - (4) Sick leave [rule 5 10.2(a)(3)].
 - (5) Holiday pay for less than full-time appointments [rule 5-10.1].
 - (6) Completion of a probationary period [rule 3 6.2].
 - (E) Eligibility for group insurance plans and benefit levels [rules 5 2.2 and 5 11].
 - (F) Computation of total continuous service hours for all purposes, including, but not limited to, employment preference, layoff, recall, step increases, and, if authorized by statute, retirement.¹
 - (2) Not a break in service. An employee does not incur a break in service as a result of taking unpaid furlough hours.

¹ EDITOR'S NOTE: The following text was added to the State Employees' Retirement Act in Public Act 33 of 2004, MCL §38.1e, effective March 22, 2004: "Beginning October 1, 2003, the compensation used to compute the final average compensation for a period during which a member is participating in the banked leave time program shall include the value of any unpaid furlough hours and the value of any unpaid hours exchanged for part B annual leave hours calculated at the member's then current hourly rate or rates of pay."

- (3) No substitution. An employee cannot substitute annual leave, sick leave, school leave, banked leave time, or any other paid status for an unpaid furlough hour.
- (c) Scheduling unpaid furlough hours.
 - (1) Scheduled day on January 2, 2004.
 - (A) All employees, except essential employees who are required to work on January 2, 2004, shall be furloughed without pay on January 2, 2004.
 - (B) If an employee (1) is not designated as an essential employee and the employee's regular day off falls on January 2, 2004, or (2) is designated as an essential employee and works on January 2, 2004, the employee must schedule and take the following number of unpaid furlough hours in accordance with subsection (c)(2) [Floating Unpaid Furlough Hours]:
 - (1) An employee in a full time appointment must schedule and take 8 unpaid furlough hours.
 - (2) An employee in a less than full-time appointment must schedule and take a pro rata share of 8 unpaid furlough hours, as provided in the regulations.
 - (C) Furloughed employees who have a regular work schedule in excess of 8 hours on January 2, 2004, may elect any one of the following to complete their scheduled work day in excess of 8 hours:
 - (1) Use accrued annual leave hours, banked leave time hours, or compensatory time.
 - (2) Accept lost time.
 - (3) Accept unpaid furlough hours.
 - (2) Floating unpaid furlough hours. Notwithstanding any other rule or regulation, each employee is required to take the following number of unpaid furlough hours between October 12, 2003, and September 30, 2004, consistent with applicable law:
 - (A) An employee in a full time appointment hired on or before October 12, 2003, is required to take 40 hours of unpaid furlough leave. Any unpaid furlough hours taken on January 2, 2004, count toward the 40-hour requirement.
 - (B) An employee in a full-time appointment hired after October 12, 2003, or an employee in a less than full-time appointment is required to take a pro rata share of 40 unpaid furlough hours, as provided in the regulations. Any unpaid furlough hours taken on January 2, 2004, count toward the hours requirement.
 - (3) Scheduling by employee. An employee may take floating unpaid furlough hours when approved by the appointing authority in the same manner as annual leave. However, an employee cannot take more than 8 hours of unpaid furlough hours in any one week (defined as Sunday through the following Saturday).

(4) Scheduling by appointing authority. If an employee has not scheduled the required unpaid furlough hours by May 24, 2004, the appointing authority shall schedule any remaining required unpaid furlough hours. The appointing authority must give an employee notice of any scheduled unpaid furlough hours at least 14 calendar days before the beginning of the pay period in which the unpaid furlough hours are scheduled. The appointing authority shall not schedule more than 8 unpaid furlough hours in any one pay period.

5-16.2 Paid Furlough Day

- (a) Paid furlough day defined. A paid furlough day is an otherwise regularly scheduled work day during which the employee is prohibited from working but is paid in the same manner and rate of pay as if the paid furlough day was an approved state holiday authorized under rule 5 10.1 [Paid Holidays].
- (b) Scheduled on December 26, 2003. All employees, except essential employees who work on December 26, 2003, shall take 1 paid furlough day on December 26, 2003.
- (c) Essential employees. If an employee is designated as an essential employee and works on December 26, 2003, the employee is credited with a number of hours of annual leave equal to the number of hours actually worked, but not exceeding 8 hours, in addition to any pay for the time worked on December 26, 2003.
- (d) Scheduled regular day off. If an employee in a full-time appointment does not work on December 26, 2003, because of a scheduled regular day off, the employee is credited with 8 hours of annual leave. If an employee in a less than full time appointment does not work on December 26, 2003, because of a scheduled regular day off, the employee is credited with a pro rata share of 8 hours of annual leave, as provided in the regulations.

5-16.3 Essential Employees

An appointing authority may, in its sole discretion, designate as an essential employee for the purposes of this rule any employee who is required to work on December 26, 2003, or January 2, 2004.

5-16.4 Exemptions

An appointing authority, with the consent of the state employer, may request that the state personnel director exempt an employee from the obligation to take some or all of otherwise required unpaid furlough hours. Notwithstanding section 5–16.1(c), the state personnel director may exempt the employee if the director determines that (1) the employee is providing immediate essential public services or (2) uncommon extenuating circumstances warrant granting an exemption for the employee.

5.16.5 Grievances

If an employee is aggrieved by application of this rule and the complaint is otherwise grievable under rule 8-1.3(a)(1) through 8-1.3(a)(8), the employee may file a grievance under and in accordance with rule 8-1 [Grievances].

[Rule 5-16 added effective October 9, 2003 — SPDOC 03-31]